

November 26, 2001

To: Mr. Franklin Mukai, Esq.
McCorriston Miller Mukai MacKinnon

From: Satoshi Kinoshita

Re: President's Plan

Dear Counsel Franklin Mukai:

I wish to thank you for supporting Sports Shinko.

Please find president's new plan as of November 25, 2001 with this letter.

President's most concern is state of independent of new company. He needs new company to be free from Japanese banks and RCC.

President will fly to sign contract when everything ready. He wants to visit Hawaii as soon as possible.

I have to call president for today's progress, and I am happy to attend meeting with you and Mr. Hanada.

Very truly yours,

Satoshi Kinoshita
Executive Vice President

EXHIBIT K-C

EXHIBIT 13

President's Plan as of November 25, 2001/11/26

President is considering protecting Hawaii properties from RCC and Japanese banks.

He has the following two plans.

Plan A: Stock Purchase

Sports Shinko Hawaii will be tremendous excessive liabilities because company will write off notes and their interests to La Costa.

President plans to create new company to buy Sports Shinko Hawaii's stock.

Favorable factor is that new company can buy the stock cheaply because of excessive liabilities.

Unfavorable factor is RCC and Japanese banks might take over the new company if new company assumes debts from parent company, Sports Shinko Co., Ltd, and Sports Shinko USA. But there is way to make long-term contract with Sports Shinko to pay back the current inter-corporate loan.

Plan B: Asset Purchase

The management company will purchase assets of Sports Shinko Hawaii. The company will purchase Mililani Golf Club, Pukalani Country Club, and Ocean Resort Hotel Waikiki, first. Current offers for these properties are 8 million, 8 million and 10 million dollars, respectively. From the total 26 million dollars, the management company will assume Bank of Hawaii loan, and make 5 million dollar mortgage with Ocean Resort Hotel Waikiki, and make contract with Sports Shinko Company to pay back under 30 years, 3% loan.

The most favorable factor is that the management company will be free from RCC and Japanese banks.

The unfavorable factor is the management company must generate enough cash flow to use 2 million dollars annually to repay loan from bank of Hawaii, and Sports Shinko.

In this plan, president remains Mr. Nishida, and Satoshi Kinoshita will be treasurer.

President wants to include various people as shareholders, such as Toshiya, Rica, Takeshi, Naomi, Mr. Saito, and Mr. Jerry Kimoto sooner or later.

! DATE ¥@ "yyyy/MM/dd" ¶ 2001/11/26¹

To: Mr. Franklin Mukai, Esq.

From: Satoshi Kinoshita

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DAVID KLAUSNER

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PUKALANI GOLF CLUB, LLC, a
Hawai'i limited liability
company, et al.,

Defendants,

and

FRANKLIN K. MUKAI,

Third-Party
Plaintiff,

vs.

SPORTS SHINKO CO., LTD.,
a Japan corporation, et al.,

Third-Party
Defendants.

SPORTS SHINKO (USA) CO., LTD, a
Delaware corporation,

Plaintiff,

vs.

KIAHUNA GOLF CLUB, LLC,
a Hawai'i limited liability
company, et al.,

Defendants,

and

FRANKLIN K. MUKAI,

Third-Party
Plaintiff,

CIVIL NO. CV 04-00126
ACK/BMK

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DAVID KLAUSNER

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vs.)
)
SPORTS SHINKO CO., LTD.,)
)
a Japan corporation, et al.,)
)
Third-Party)
Defendants.)
)
_____)
)
SPORTS SHINKO CO., LTD., a) CIVIL NO. CV 04-00127
Japanese corporation,) ACK/BMK
)
Plaintiff,)
)
vs.)
)
OR HOTEL, LLC, a Hawai'i)
limited liability company,)
et al.,)
)
Defendants,)
)
and)
)
FRANKLIN K. MUKAI,)
)
Third-Party)
Plaintiff,)
)
vs.)
)
SPORTS SHINKO (USA) CO., LTD.,)
a Delaware corporation, et al.,)
)
Third-Party)
Defendants.)
)
_____)
)
SPORTS SHINKO (USA) CO., LTD.,) CIVIL NO. CV 04-00128
a Delaware corporation,) ACK/BMK
)
Plaintiff,)

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DAVID KLAUSNER

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vs.
MILILANI GOLF CLUB, LLC,
a Hawai'i limited liability
company, et al.,

Defendants,

and

FRANKLIN K. MUKAI,

Third-Party
Plaintiff,

vs.

SPORTS SHINKO CO., LTD.,
a Japan corporation, et al.,

Third-Party
Defendants.

DECLARATION OF DAVID KLAUSNER

I, DAVID KLAUSNER, make this Declaration of my own
personal knowledge:

1. I am an adult resident of the State of
California, over the age of eighteen (18) years, and I am
competent to make this Declaration.

2. I am an independent computer consultant
retained by Alston Hunt Floyd & Ing to advise and assist
counsel in this action. I make this Declaration of my own

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DAVID KLAUSNER

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personal knowledge, except as to those matters stated on information and belief, and as to those matters, I believe them to be true. If called as a witness, I could and would testify competently to the facts stated in this Declaration.

3. I obtained my Bachelor of Arts in Mathematics from Brooklyn College in 1968, and my Master of Science in Electrical Engineering from the Polytechnic Institute of Brooklyn in 1974. I have over 37 years of software development, consulting, management, and expert testimony experience in all aspects of the computer field, from micros to mainframes, and in all areas of computer programming. I am experienced as an engineer, software developer, supervisor, project manager, department manager, middle manager, and company executive.

4. I am also experienced in forensic investigation, including data recovery, and reverse-engineering of computer programs. From 1992 to the present, I have testified as an expert witness and I have also rendered opinions concerning forensic investigation of computer programming in dozens of matters in both State and

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DAVID KLAUSNER

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Federal courts. A true and correct copy of my curriculum vitae is attached hereto as Exhibit K-A.

5. I was provided with a Western Digital hard drive, S/N WM949 127 5640, dated 13 Aug 2000 (the "Drive") by Glenn T. Melchinger. A true and correct photocopy of the label on the Drive is attached as Ex. "K-B".

6. I created a forensic bit by bit image (the "Image") of the Drive (every "zero" and "one" bit of the Drive) using a program called EnCase and forensic data recovery equipment. I did not "boot" up the Drive; I made no alterations to the Drive when I created this image of the Drive.

7. I analyzed the Drive Image. In an "unallocated cluster," which is slack space typically designated by the operating system on the Drive to be reused and overwritten, was the text attached in Ex. "K-C". The text was found by the EnCase program, and was located in Unallocated Cluster file 5 produced by the EnCase program, which could be viewed at (approximately) line 2709220 to 2709513 of that file using UltraEdit v.11.1. (Some line renumbering occurs each time the unallocated cluster files

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are opened, due to their 660 MB size, but a text search for "November 26, 2001" pulls up the relevant file from this Unallocated Cluster.)

8. The text in the attached Ex. "K-C" was created by simply cutting and pasting the text from the Unallocated Cluster into a Microsoft Word file.

9. It appears to me that this file was once an active document file on the Drive, but was designated for deletion by the computer's operating system. Despite this, as is typical, the file's text and some code remained in the "slack space" on the Drive.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on: Redwood City, California, February 15, 2006.


DAVID KLAUSNER

David Klausner

Resume

David Klausner (david@klausner.com)
218 Sylvan Way
Redwood City, CA 94062-3953
tel: (650) 367-9138
fax: (650) 367-9139

SUMMARY OF SKILLS

Over 35 years of software development, consulting, management, and expert testimony experience in all aspects of the computer field, from micros to mainframes, and in all areas of programming. Experienced as an engineer, software developer, supervisor, project manager, department manager, middle manager, and company executive. Forensic investigation, including reverse-engineering.

Operating Systems Experience

MS-Windows 2000 / NT / ME / 98 / 95 / 1.x-3.x, MS/DOS, PC/DOS, UNIX, Solaris, MVS, VM, TSO, RTE, JES2, DOS/VSE, WYLBUR, XT/370, RTOS, VMS, and system generations (SYSGENs).

Hardware

PCs/Mainframes and compatibles. Peripherals. Workstations (IBM, Apollo, HP, Sun); RS-6000, HP 1000, HP 2100, HP 150, DEC PDP, IBM 8100, IBM S/23, more.

Software Applications, Packages and Libraries

Web applications, Client Server, Three-tier, EDI, Network applications, FoxBase, Clipper, 4-GL, X-Windows X11R4 and 3, MOTIF, IMAGE, FrameMaker, PARADOX, DBASE (all), Q&A, LOTUS-123, MS-Office, Quattro, SAS, VSAM, ISPF, KEDIT, XEDIT, VTAM, Revelation, KnowledgeMan, WordStar, and more.

Software Development

Large and small applications for businesses, data management, database design, client/server, compilers, parsers, and programming languages, user interfaces, quality assurance, real-time applications, artificial intelligence, utility programs, diagnostics, machine simulators, performance analyzers, EDI applications, general ledger, inventory control, software auditing, manufacturing process, insurance, financial, and statistical process control.

Languages

HTML, C, C++, Java, Visual Basic, SQL, XML, Assembler, COBOL, FORTRAN, BASIC, PL/I, PLS, REXX, EXEC2, JCL, Prolog.

EDUCATION:

M.S.E.E. Polytechnic Institute of Brooklyn, N.Y., 1974
B.A. Mathematics Brooklyn College, N.Y. 1968

David Klausner

Resume

CONSULTING/EMPLOYMENT HISTORY:

Independent Computer Expert and Consultant, Expert Witness

04/92 - present

Mediator in cases involving:

- software valuation.
- theft of computer intellectual property.

Forensics

- expert for law enforcement agencies in various matters.
- reverse-engineering software.

Consulting expert for defendants in cases involving software and hardware:

- patent infringement, validity, and interference.
- software valuation.
- theft of computer code for property sales and management.
- data base and data processing negligence.
- breach of contract involving printing services; automobile parts warehouses and stores.

Consulting expert for plaintiffs in cases involving software and hardware:

- patent infringement and validity.
- theft of trade secrets of network file systems; of warehouse management systems.
- breach of contract and failure to perform for medical laboratories; for semiconductor design software.
- trustees in bankruptcy of manufacturer of OCR software.
- copyright infringement of communications hardware.
- breach of warranty for systems delivered for interior design.
- software piracy of video games.
- State of California's release of public information under Freedom of Information laws.

Innovasafe, Torrance, CA

03/00 -- present -- Consulting Technical Verification Expert

Perform Technical Verifications and Assessments of software and systems.

Sourcefile, San Jose, CA

03/94 -- 05/01 -- Consulting Technical Verification Expert

Perform Technical Verifications and Assessments of software and systems.

INTEL Corp., Santa Clara, CA

08/91 - 07/92 -- Consultant

dBase 4-GL produced windowed order/inventory tracking system. User-oriented windowing and function selections. PC/Mainframe client/server environment extracted/reported large database information.

Variety of Consults

01/91 - 07/91 -- Consultant

X-Windows/Motif training, windowing system for RMA processing on PCs; systems administration on Sun/HP/Harris networks, VTAM documentation verification for correctness.

TERRA-MAR, Mountain View, CA

04/90 - 01/91 -- Consultant

Project managed/developed port of Client/Server image processing systems in X-Windows in C/Fortran on Sun X11/R4 with Motif, HP900s, IBM RS-6000s, and PCs. Software processed satellite raster data to produce images for oil and mineral exploration, defense, land and water management, forestry, etc. High density pixel images compression and transformation.

David Klausner

Resume

David Klausner

Resume

FRAME TECHNOLOGY, Milpitas, CA

01/90 - 03/90 -- Consultant

Tested latest X-windows versions of the FrameMaker document production system on various platforms and X-terminals. Suggested user interface changes for usability and readability for various X-Windows environments (MWM, HPWM, TWM, UWM).

AMDAHL CORPORATION, Sunnyvale, CA

06/89 - 11/89 Diagnostics/Macrocode Test

Developed, modified/created tools and tests for the Macrocode of Amdahl mainframes. Results validated test coverage of Macrocode through monitoring and mapping of Macrocode execution. Scheduling and tracking tests and diagnostics. Sparse matrix compression.

02/87 - 06/89 Diagnostic Development

Responsible for development of over 40 tests, tools, and diagnostics under Amdahl UNIX (UTS) and other operating systems. These included emulators, system-to-system communication links, simulators, system-level diagnostics, etc.

HEWLETT-PACKARD, Cupertino, CA

07/86 - 02/87 -- Consultant

Planned and implemented tests of a new version of the HP-1000 Operating System, RTE-A. Wrote many tests in Assembler and Fortran to confirm proper system function and results.

HARRISON and EAKIN, Inc., San Mateo, CA

07/86 - 09/86 -- Consultant

Expert witness for analysis of the BIOSs of PC/286-type machines.

LOBOB LABORATORIES, San Jose, CA

05/85 - 09/85 -- Consultant

Modified IBM's general Ledger/accounting software in BASIC on the System/23.

PLUS DEVELOPMENT CORPORATION, Milpitas, CA

08/84 - 07/86 -- Diagnostics, Software Development and Manufacturing Test

Produced hard disk drive product -- HardCard. Established requirements and project-managed diagnostics, test equipment hardware and software development for use in-house and on manufacturing line at Matsushita in Japan. Software to interface to, and track, the manufacturing process. RLL technology. Responsible for compatibility testing company products on a wide variety of PCs and compatibles. Worked with European distributors as Technical Representative for marketing and technical issues. Familiar with Japanese, several European languages and marketplaces.

David Klausner

Resume

DIALOGIC SYSTEMS CORPORATION, Sunnyvale, CA

12/83 - 07/84 -- Applications Development

Responsible for user-interface layer software development on high (40Mhz) speed network with lossless compression.. Completed 11 projects (e.g., editors/interfaces to IBM mainframe CPUs.) Determined market requirements. Presented and demonstrated product to customers.

04/83 - 12/83 -- Product Assurance and Test

Developed and implemented test strategies, methodologies, plans and procedures. Prepared tests and scenarios. Tested hardware and software products shipped to customers.

09/82 - 04/83 -- Diagnostics

Responsible for development of on-line diagnostic systems for 680X0-based multiprocessing computer systems. Wrote tests in 680X0 and in C.

IBM CORPORATION, Palo Alto/San Jose, CA

09/74 - 11/82 -- Language Products

Responsible for development and testing of state-of-the-art PL/I compilers including 5 major products. IBM representation for products areas at trade shows and customer user group conventions. Managed outsourced software development. Determined product requirements and approved forecasts for worldwide revenues/costs. Designed and developed a front end for the PL/I Checkout Compiler. Designed portion of optimization phases of the PL/I Optimizing compiler.

Managed development for the IBM BASIC Compiler. Managed outsourced development. Wrote test cases and verified product function.

Developed DOS COBOL Release 3 Compiler for IBM mainframes. Designed and developed parts of OS/VS COBOL Release 2 and symbol table generation with lossless compression. Project managed and tested the 8100 COBOL compiler.

Created Inter-Language Communication linking together IBM programming languages.

UNIVERSITY APPLICATIONS PROCESSING CENTER, Brooklyn, NY

06/67 - 09/74 -- Systems and Applications Programmer

Developed/maintained systems/programs, including real-time database inquiry applications with Artificial Intelligence front-ends. Modified JES2, MVS and TSO, and WYLBUR/MILTON for internal use. Wrote VM/CMS utility programs and a System/370 mainframe program debugger/simulator.

11/18/2004 rec26,law

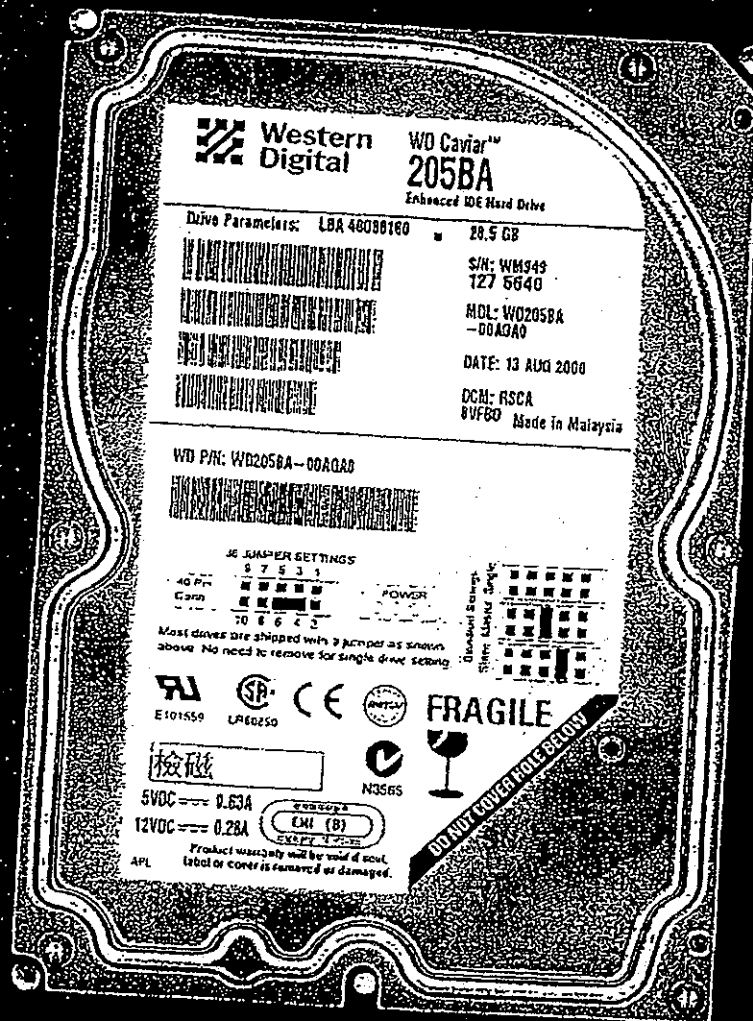


EXHIBIT K-B